Kentucky Forestry
Economic Impact Summary 2014

Forest industry is the most significant agricultural revenue sector in Kentucky. The $12.8 billion produced by the forestry sector in 2014 was also significant compared to many economic drivers in the Commonwealth. This fact sheet provides an executive summary of this important industry; a complete report is available at www.ukforestry.org.

2014 Economic Importance of Kentucky’s Forest and Wood Industry

$12.8 billion total economic impact with $8.3 billion in direct revenue

The $8.3 billion in direct impact represents revenue while the $12.8 billion reflects an additional $4.5 billion in economic activity directly tied to the forest and wood industry. Direct revenue increased $400 million in 2014.

57,753 total jobs with 28,202 directly employed

Total forestry related jobs represent 2.4% of employment.

Leading producer of hardwood sawlogs in the South

762 million board feet of logs and 1.365 million tons of pulpwood.

Forestry Sub-Sectors

The forestry sector is comprised of a range of industries including logging, primary that includes sawmilling, secondary industries that manufacture finished wood products; pulp and paper production; paper converters that manufacture paper products; and residues such as bark mulch. In 2014, sub-sectors increased from 2.1 to 5.5% with the exception of logging that remains highly volatile.

Commodity Pricing

In 2014 all primary commodities with the exception of logs for railway cross ties increased compared to 2013. Stave logs for barrels increased 10%, pulpwood was up 1%, and the bread and butter of Kentucky’s primary products, logs for lumber production, increased 11% over 2013. While tie logs decreased 7.5%, demand was stable.

Export Destinations 2014

Kentucky’s Forest Products Exports

Kentucky’s forest products exports grew to over $272 million, a 29% increase compared to 2013. The leading exports were wooden barrels and barrel parts at more than $96 million. Europe and Asia were the top export destinations for Kentucky’s forest products at $100 and $89 million respectively.

Authors: University of Kentucky, Department of Forestry Extension - Jeff Stringer, Extension Professor of Hardwood Silviculture and Forest Operations; Billy Thomas, Extension Associate for Family Forest Education; Bobby Ammerman, Extension Associate, Secondary Forest Industry; and University of Kentucky, Department of Agricultural Economics - Alison Davis, Associate Extension Professor